

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

April 13, 2010

Lenny Boteilho Ames Construction 3737 West 2100 South West Valley City, Utah 84120

Subject: Review of Notice of Intention to Commence Small Mining Operations, Ames

Construction, Lake Point Quarry, S/049/0075, Utah County, Utah

Dear Mr. Boteilho:

The Division has reviewed the referenced Notice of Intention to Commence Small Mining Operations (NOI). Please correct the following item in the legal description:

The legal description indicates the mine is in Township "65". It appears this description should be 6 South or 6 S.

The reclamation surety amount has been determined to be \$25,000.00 if escalated for three years or \$25,100.00 if escalated for five years. This is based on the following:

Three-Year Escalation

	Average Costs	Number of	Total Cost
		Acres	1 % ()
First Acre of	\$7400 (includes \$3000	1	\$7400
Disturbance	mobilization/demobilization	n	
Additional Acres	\$4400	4	\$17,600
		5	\$25,000

Five-Year Escalation

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	Average Costs	Number of	Total Cost
		Acres	100
First Acre of	\$7500 (includes \$3000	1	\$7500
Disturbance	mobilization/demobilization	n	
Additional Acres	\$4400	4	\$17,600
	2	5	\$25,100



Lenny Boteilho Page 2 of 2 S/049/0075 April 13, 2010

The surety can be provided in the form of cash, a certificate of deposit, a letter of credit, or a surety bond. Please contact the Division's bonding coordinator, Penny Berry, for information about submitting the bond and associated reclamation contract. She can be reached at 801-538-5291 or by e mail at bondcoordinator@utah.gov.

Questions about this letter or about the permitting process can be directed to me at 801-538-5261 or to Lynn Kunzler at 801-538-5310. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

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